SMITH BAGLEY, INC. TIER III CARRIER INTERIM E-911 DEPLOYMENT AND STATUS REPORT

PSAP REQUESTS

As of July 15, 2003, Smith Bagley Inc., dba Cellular One of Northeast Arizona (SBI) has not received any requests from any Public Safety Answering Points (PSAPs) within its licensed area in Arizona or New Mexico.

Based on recent conversations with the E911 Coordinator for the Local Exchange Carrier (LEC), Frontier Communications, issues for conversion to Phase 1 are:

- Lack of funding for equipment needs.
- Trunking facilities cannot support the required data needs.
- PSAPs cannot accommodate any changes to the present routing of wireless 911 calls in Navajo County.

CARRIER TECHNOLOGY CHOICE

SBI has chosen to use the handset technology to provide Automatic Locator Indentifer (ALI) as a feature.

STATUS ON ORDERING AND/OR INSTALLING EQUIPMENT

To date, the manufacturers and providers of the analog, TDMA digital, and GSM handsets do not offer ALI on any of the models used by SBI. Please refer to the attached letter from National Cellular stating the current situation regarding ALI capable handsets.

Switching software and hardware to support E911 has been ordered by SBI for it's analog system (Nortel) and is scheduled to be in-service no later than December 3, 2003. Necessary upgrades and equipment for the recently purchased Nokia GSM digital MSCI DX 200 switch is being negotiated at this time. The initial system was installed in December of 2002 and is Phase 1 compliant.

ESTIMATED DATE OF PHASE 2 SERVICE AVAILABILITY

Based on funding and equipment issues at the LEC and PSAP levels, it is not possible to provide a realistic date for implementation of E911 Phase 2 for this rural area. Although SBI will have a state-of-the-art digital GSM switching center, without the availability of adequate funding for the LEC and PSAPs to purchase equipment for information routing, the implementation of Phase 2 is uncertain.

IMPLEMENTATION SCHEDULE

It is SBI's understanding that ALI capable handsets will be available in the fourth quarter of 2003. These handsets and PSAP capability are crucial to meeting the ultimate implementation date of December 31, 2005. Without confirmation of handset availability and PSAP readiness SBI is unsure whether it will meet the December 31, 2005 date.